

AMENDED IN ASSEMBLY JUNE 27, 2011

SENATE BILL

No. 415

Introduced by Senator Wright

February 16, 2011

An act to amend Section 83115 of the Government Code, relating to the Political Reform Act of 1974. An act to add Section 4109 to the Food and Agricultural Code, and to amend Section 8300 of the Government Code, relating to the Los Angeles Memorial Coliseum Commission.

LEGISLATIVE COUNSEL'S DIGEST

SB 415, as amended, Wright. ~~Political Reform Act of 1974: investigations.~~ *Los Angeles Memorial Coliseum Commission.*

Under existing law, the Sixth District Agricultural Association, known and designated as the California Science Center, is authorized to build, construct, and maintain and operate a stadium or any arena, pavilion, or other building to be used for specified events, including sports events. The California Science Center is also required to work with the Los Angeles Memorial Coliseum Commission, the City of Los Angeles, and the County of Los Angeles to develop additional parking facilities in Exposition Park.

This bill would require the California Science Center, if the Los Angeles Memorial Coliseum Commission fails to perform under or abide by any terms and conditions of a lease between the commission and the California Science Center for the Los Angeles Memorial Coliseum, to become the successor lessor to the commission's interest in the lease and quit and surrender the leased premises to the California Science Center and preserve all assets and minimize all liabilities under the lease, as specified.

Existing law requires that the joint powers agreement entered into by the City of Los Angeles, the County of Los Angeles, and the California Science Center, creating the Los Angeles Memorial Coliseum Commission, be amended to provide that the membership of the commission be increased to include 2 additional ex officio, nonvoting members, one Member of the Senate appointed by the Senate Committee on Rules, and one Member of the Assembly appointed by the Speaker of the Assembly.

Existing law further provides that the 2 additional members shall serve terms that are the same as other members of the commission, and shall participate in the activities of the commission to the extent that their participation is not incompatible with their respective positions as Members of the Legislature. Existing law provides that for these purposes, the Members of the Legislature shall constitute a joint investigating committee on the subject of the commission and shall have the powers and duties imposed upon the committees by the Joint Rules of the Senate and Assembly.

This bill would specify that an ex officio member of the Los Angeles Memorial Coliseum Commission may be present in closed session meetings of the commission, and would also state that this provision is declaratory of existing law.

The bill would express the intent of the Legislature to pursue an appropriate investigation and review of the financial operations, procedures, and financial dealings of the Los Angeles Memorial Coliseum Commission. The bill would also set forth a related statement of findings and declarations.

~~The Political Reform Act of 1974 provides for the comprehensive regulation of campaign financing, lobbyists, conflicts of interest of public officials, and related matters, and establishes the Fair Political Practices Commission to enforce the act's provisions. The Commission is charged with the responsibility to investigate, upon the sworn complaint of any person or upon its own initiative, possible violations of the act relating to any agency, official, election, lobbyist, or legislative or administrative action.~~

~~This bill would require the Commission to notify any person who is the subject of an investigation by the Commission of the investigation at least 24 hours before the Commission makes any information regarding the investigation available to the public.~~

~~The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes~~

~~upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements:~~

~~This bill would declare that it furthers the purposes of the act.~~

Vote: $\frac{2}{3}$ -majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) *The Legislature hereby finds and declares*
2 *that the mismanagement of the Los Angeles Memorial Coliseum*
3 *Commission (hereafter, the commission) and the lack of responsible*
4 *oversight has placed the commission in a precarious financial and*
5 *contractual position for all of the following reasons:*
6 (1) *Numerous recent events have raised serious questions about*
7 *the operation, oversight, and efficiency of the fiscal affairs of the*
8 *Los Angeles Memorial Coliseum. Recent articles in the Los Angeles*
9 *Times have reported that three years ago the commission had*
10 *\$12,000,000 in reserves, that the amount in reserves is now*
11 *\$1,600,000, and that the commission is expecting an additional*
12 *deficit of \$302,000 in the fiscal year ending June 30, 2011.*
13 (2) *The commission has announced that it will not be able to*
14 *undertake the \$60,000,000 in renovations included in the terms*
15 *of its lease with the University of Southern California.*
16 (3) *A recent scandal exposed by the Los Angeles Times alleges*
17 *that the former events manager is under investigation by the Los*
18 *Angeles County district attorney's office and the Fair Political*
19 *Practices Commission for receiving tens of thousands of dollars*
20 *from companies doing business with the Los Angeles Memorial*
21 *Coliseum that the former events manager failed to disclose for*
22 *four years as required by law. This individual was paid an annual*
23 *salary of \$189,278, and, in addition, he received more than*
24 *\$100,000 per year from each of his private companies that did*
25 *business with the coliseum. Although the former general manager*
26 *of the coliseum approved the event manager's second job with a*
27 *private company, the former general manager asserts that he did*
28 *not approve many of the other deals between the former events*
29 *manager and the other private companies.*
30 (b) *The Legislature hereby finds and declares that there is a*
31 *clear need for an independent audit of the operations and financial*
32 *dealings of the Los Angeles Memorial Coliseum Commission in*

1 *order to ensure that the funds controlled by the commission are*
2 *properly administered by the commission.*

3 *SEC. 2. Section 4109 is added to the Food and Agricultural*
4 *Code, to read:*

5 *4109. (a) As used in this section, the following definitions shall*
6 *apply:*

7 *(1) “Association” means the Sixth District Agricultural*
8 *Association, also known and designated as the California Science*
9 *Center.*

10 *(2) “Commission” means the Los Angeles Memorial Coliseum*
11 *Commission, a joint powers authority created by a joint powers*
12 *agreement pursuant to Chapter 5 (commencing with Section 6500)*
13 *of Division 7 of Title 1 of the Government Code.*

14 *(3) “Lease” means the lease and agreement, designated as the*
15 *Coliseum Lease of 1955, executed on January 3, 1956, by and*
16 *between the association and the commission, including the*
17 *Amendment to Coliseum Lease, executed on February 13, 2008,*
18 *by and between the association and the commission.*

19 *(b) Notwithstanding any other law, or any provision of the lease,*
20 *if the commission fails to perform under or abide by any of the*
21 *terms and conditions of the lease, including, but not limited to, the*
22 *timely payment of rent payments to the association, the association*
23 *shall, upon 30 days’ written notice, become the successor lessor*
24 *in the lease and shall do both of the following:*

25 *(1) Quit and surrender the leased premises to the*
26 *association-lessor, as provided in Article 7 of the lease.*

27 *(2) Preserve all assets, minimize all liabilities, and cooperate*
28 *with the association, including providing, among other things, that*
29 *the maintenance staff shall be under the direction and control of*
30 *the association.*

31 *SEC. 3. Section 8300 of the Government Code is amended to*
32 *read:*

33 *8300. (a) The joint powers agreement entered into by the City*
34 *of Los Angeles, the County of Los Angeles, and the Sixth District*
35 *Agricultural Association known and designated as the California*
36 *Science Center, creating the Los Angeles Memorial Coliseum*
37 *Commission, shall be amended to provide that the membership of*
38 *the commission shall be increased to include two additional ex*
39 *officio, nonvoting members, one Member of the Senate appointed*

1 by the *Senate* Committee on Rules of the Senate, and one Member
2 of the Assembly appointed by the Speaker of the Assembly.

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4 (b) *The* two additional *ex officio* members shall serve terms that
5 are the same as other members of the commission, and shall
6 participate in the activities of the commission to the extent that
7 their participation is not incompatible with their respective
8 positions as Members of the Legislature. For the purposes of this
9 section, the Members of the Legislature shall constitute a joint
10 investigating committee on the subject of the commission and shall
11 have the powers and duties imposed upon the committees by the
12 Joint Rules of the Senate and Assembly.

13 (c) *An ex officio member of the Los Angeles Memorial Coliseum*
14 *Commission may be present in closed session meetings of the*
15 *commission. This provision is declaratory of existing law.*

16 SEC. 4. *It is the intent of the Legislature to pursue an*
17 *appropriate investigation and review of the financial operations,*
18 *procedures, and financial dealings of the Los Angeles Memorial*
19 *Coliseum Commission.*

20 SECTION 1. ~~Section 83115 of the Government Code is~~
21 ~~amended to read:~~

22 83115. (a) ~~Upon the sworn complaint of any person or on its~~
23 ~~own initiative, the Commission shall investigate possible violations~~
24 ~~of this title relating to any agency, official, election, lobbyist, or~~
25 ~~legislative or administrative action.~~

26 (b) ~~A person who is the subject of an investigation by the~~
27 ~~Commission shall be notified of the investigation at least 24 hours~~
28 ~~before the Commission makes any information regarding the~~
29 ~~investigation available to the public.~~

30 (c) ~~Within 14 days after receipt of a complaint under this section,~~
31 ~~the Commission shall notify in writing the person who made the~~
32 ~~complaint of the action, if any, the Commission has taken or plans~~
33 ~~to take on the complaint, together with the reasons for such action~~
34 ~~or nonaction. If no decision has been made within 14 days, the~~
35 ~~person who made the complaint shall be notified of the reasons~~
36 ~~for the delay and shall subsequently receive notification as provided~~
37 ~~above.~~

38 SEC. 2. ~~The Legislature finds and declares that this bill furthers~~
39 ~~the purposes of the Political Reform Act of 1974 within the~~

- 1 ~~meaning of subdivision (a) of Section 81012 of the Government~~
- 2 ~~Code.~~

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